than it has for the United States as a whole. In the past year U.S. nonag payroll employment has risen by over 2%. U.S. jobs have swept past their 1979 level and within half a percent of their mid 1981 all-time high.

Our recovery in Oregon has been a horse of a different color - colored by the fact that 11% of our nonfarm payroll jobs went that-a-way between October 1979 and October 1982. Over the past year we have gained back only a fraction of one percent out of the 11% that was lost.

Throughout the long recession forecasters announced that recovery was just around the corner. We did reach that corner about a year ago. Now the question is: How wide is the corner? So far it is a year wide. Having made the pivot from downward to flat, we may now be completing the corner by turning our jobs trend from flat to upward.

Of course it is also true that most forecasters have been predicting a nearly immediate solid upturn in seasonally adjusted employment in Oregon throughout the past year. We may be disappointed again, but there is a growing array of reasons to believe that an upturn is starting to materialize:

-The national economy is doing well, with employment firmly on an upward trend.

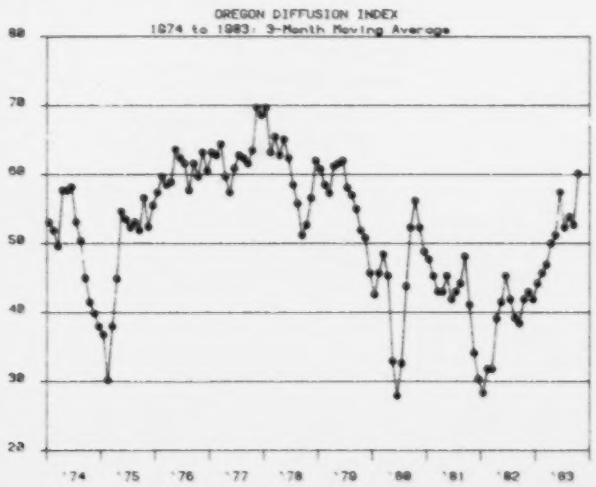
-The high numbers of striking workers in Oregon over the past few months have hidden some underlying progress in employment. As people on strike go back to work, the total number working increases.

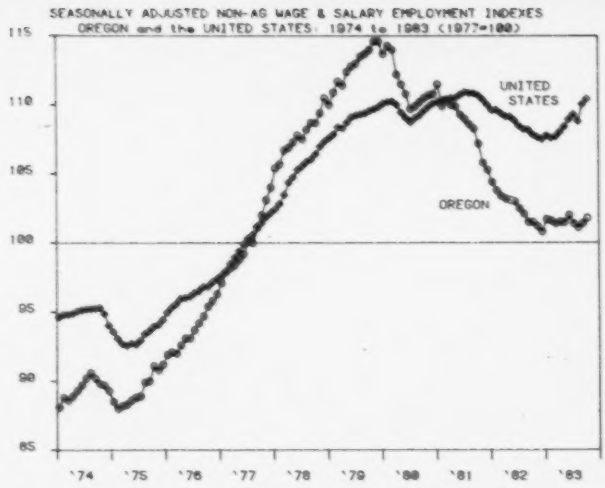
-Though wood products jobs have possibly reached their maximum potential for the time being, some other manufacturing industries appear to have turned or be turning the corner.

A flood of activity in the national trade sector is expected to spill over into Oregon's wholesale and retail trade.

-Heavy construction is paving the way for some strengthening of Oregon's construction industry.

-The Oregon Diffusion Index, shown on the graph, moved up to the 60 mark in October. This means that selected industries that are bringing more employes on considerably outnumber those who are letting people go. This seasonally adjusted index is a leading indicator.





-Average weekly hours in Oregon manufacturing industries have remained strong, at 39.1 hours per week in September.

There are still some sectors that have not turned the corner. Perhaps the only sector that has yet to show any glimmer of recovery is local government, especially the public schools. The reasons include tight budgets, changing priorities among the voters, and population loss. Ringing school bells have brought school jobs up in September and October, but they remain nearly 4% below last fall's level.

The revised Oregon Economic and Revenue Forecast coming out in December projects a 1% annual jobs growth rate in the 4th quarter of 1983 and a growth rate between 2 and 3% throughout 1984. The forecasted rate of recovery for Oregon's jobs has been toned down, for two reasons:

-Our employment has not turned upward as soon as expected.

-The national recovery is projected to slow in late 1984 or early 1985 just when Oregon's recovery might otherwise be picking up steam.

The possibility also exists that a sustained increase in jobs will not occur in Oregon. The main risk is an unforeseen jump in interest rates. But all in all, the chances are good for an increase in jobs through the next four quarters.

Oregon's Unemployment Rate continued its upward drift, backtracking over some of the steep drop it made earlier this year. In October it stood at 10.3%, seasonally adjusted. The U.S. rate continued its improvement, dropping from 9.3% to 8.8%.

Even with the recent backslide, our state's unemployment rate has improved markedly from the 11.6% rate of October 1982. Total unemployment has been brought down by more than 14,000. There are two reasons for this drop in unemployment:

-There are more jobs. Nonfarm payroll jobs have increased by 3,200. In compensating for hard times, some Oregonians have also found alternative ways to earn some income - handicrafts, firewood

cutting, casual farm, yard and maintenance work, babysitting and other domestic work. The number of small business owners may also be increasing.

-There are fewer people. Net out-migration of Oregon residents continued well into the first half of 1983. Perhaps 20,000 more people moved out of Oregon than moved in from mid 1982 to mid 1983. Families with at least one unemployed person predominated among those moving out.

"Discouraged Workers", people who want jobs but are not actively searching for work, probably number in the neighborhood of 25,000 in Oregon, about 2% of the labor force. U.S. "discouraged workers" peaked at 1.6% of the labor force during the depths of the recession. By the third quarter of 1983, in spite of an encouraging surge in jobs, the "discouraged" rate was still hung up at 1.4%, seasonally adjusted. In Oregon, where jobs have not surged beyond the seasonal, it is not likely that "discouraged workers" have been re-entering the labor force in large numbers.

The outlook is for Oregon's unemployment rate to ease gradually over the coming year. Population flow has nearly stabilized. And a steady increase in jobs is expected on a seasonally adjusted basis through the winter.

October is the last month of the year in which the season provides more jobs. A downturn in the absolute number of jobs, though not necessarily a downturn in the underlying trend, inevitably begins in November. It will be a hard winter for many people. But the odds are that the coming winter will not bring quite as much economic hardship to as many Oregon people as last winter.

THE EMPLOYER'S CORNER

The Emergency Veteran's Job Training Act of 1983 (Public Law 98-77) was enacted August 15, 1983. The purpose of the Act is to address the problem of continuing unemployment among Korean and Vietnam veterans by providing, in the form of payments to defray the cost of training incentives to employers to hire and train eligible veterans.

The Oregon State Employment Division and the Veterans Administration promoting the development of employment and job training opportunities for veterans by encouraging potential employers to participate in the new program. Training opportunities in (1) growth industries: (2) occupations requiring the use of new technological skills; and (3) occupations in which demand for trained workers exceeds supply may be approved. With the assistance of the Employment Division's veteran service staff in local offices throughout the State both veterans and employers will apply to the VA to become eligible.

Employers may receive up to $10,000 to hire and train an eligible Korean or Vietnam era veteran for up to 9 months. Reimbursement could extend to 15 months if qualified disabled veterans are trained. Payments to employers will be at 50% of the starting wage and will be made quarterly unless the employer has 75 or fewer employes in which case monthly payments could be authorized. Employment Division Veteran Representatives will assist employers in the development of training schedules.

For detailed information contact the nearest office of the Oregon State Employment Division and ask to speak to the Veterans Representative.

"HIGH TECH VS OREGON'S FUTURE JOBS"

A Crisis?

We get the picture by reading and listening to some popular futurists and some of the news media that the revolution in electronics will transform our world and our working lives so dramatically that our future will not be like the past. This can be pretty scary to persons thinking of their future job prospects. Will the advancement of the computer age leave most of us unemployable?

Like most prophecies, there are elements of truth in the current predictions of the "high tech future." But there is also a great deal of misinformation that gets a lot of media attention. Nobody knows the future but there are some reasonably good predictions based upon known trends. We would like to provide our readers with a realistic view of the changes taking place in the Oregon labor force. For purposes of discussion, we will use the popular definition of "high tech" that includes electronics related industries and occupations.

Oregon's Economic Trends

The truth is, overall patterns of occupational employment change slowly. Most occupations needed in 1983 will still be needed in the 1990's. This is so because the basic industries in an economy change slowly. Oregon's economy is primarily based upon lumber and wood products, agriculture, trade, and services. The occupations related to these industries have stayed very much the same for extended periods of time.

The problem is, employment levels within these industries can and do shift dramatically. We have all been witness to the loss of jobs in lumber and wood products from a high of about 81,000 jobs in 1979 to a low of 56,000 in 1982. A loss of 25,000 jobs in just three years! The current recovery has since brought the employment level of lumber and wood products back to about 65,000, a regaining of 9,000 jobs.

Such dramatic and painful shifts in employment levels in Oregon are caused primarily by national trends. Note the federal policy shift from social and housing programs of the 70's to the defense related programs of the 80's. Government supported low interest rates and high demand for housing meant jobs for Oregonians in the 70's. However, Oregon ranks 47th among states for defense contracts. Roughly calculated, defense provides us with $85 per person in Oregon while the rest of the U. S. population receives $1,000 per person. A $247 billion

defense budget will not help Oregon's economy very much. In fact, a recent study done for the Defense Department indicates that Oregon will gain only 9,000 out of the nation's 1,480,400 jobs due to the projected defense build-up between 1983 and 1987. Nationally, largely because of defense spending, electronics industries are growing since reaching the bottom of the recession. But since only 3% of gross revenues in Oregon's electronics industries is from defense spending, this sector has yet to turn the corner.

Many other examples of national policy shifts and their affects on Oregon could be given including changing monetary and energy policies but the point would be the same. The state of Oregon's economy is largely dependent on outside influences.

Assuming that current national trends stay somewhat stable, the outlook for the Oregon economy calls for a gradual recovery in 1983, becoming much better in 1984. The most likely scenario that is currently being projected for the Oregon economy to 1990 shows slow but steady growth. What is this slow growth economy going to produce in terms of jobs?

Industry/Occupational Trends

It is somewhat comforting to realize that there are currently over one million jobs in Oregon with an additional 250,000 predicted by 1990. Table I shows which industries are projected to create the most jobs by 1990. Note that "high calorie" industries such as eating and drinking places and grocery stores will create some 24,000 jobs. The "high tech" industries of measuring and controlling devices, office/computing machines, and electronic components/accessories will also create 24,000 jobs. The 24,000 jobs created by the rapid "high tech" industry growth indicate a significant trend. However, put into perspective, only about 40% of those jobs are related to electronics and by 1990, electronic related occupations will still make up less than 1% of Oregon's total employment. The trend towards electronics is important but not overpowering.

In fact, when looking at occupational projections based upon Oregon's industry growth, service related occupations are the top demand occupations. Table II shows occupations ranked by the number of projected new jobs to be created between 1981 and 1990.

The greatest demand will be for sales representatives, waiter/waitress, truck drivers, secretaries, clerks and cashiers. The electronic occupations are on the list but with considerably less demand. On the surface at least, these data point to future employment growth favoring jobs requiring little or no training beyond high school. Are most jobs in Oregon's future economy actually going to be "low tech?"

New Job Skills

Since most of the occupations needed today will be needed in 1990 the real impact of "high tech" growth in Oregon will not be a change in the occupational structure. The major impact of the micro chip and solid state electronics is to change the job skills of a wide variety of existing occupations rather than to create new occupations.

At first, these changes affect routine work environments. Typists become word processing specialists, bookkeepers become micro computer and software users, clerks operate computerized cash registers. On one hand, the work becomes easier and productivity increases. On the other hand, new skills must be learned and more complex judgments must be made. Routine work becomes less physical but greater conceptual and problem solving skills are often required to maintain and operate the systems. Occupations already requiring problem solving skills become more "problematic" as the amount of information available increases and the number of ways of solving problems increases.

The full impact of new technologies on the labor force is only beginning to be understood. Using "high tech" machines will in the future be common place for many workers. The skills required may well produce a "high tech educational gap" requiring considerable upgrading and retraining of the labor force. Will the traditional educational institutions meet the new educational needs? Oregon's educational leaders are currently working hard on this problem.

TABLE I

WHICH INDUSTRIES WILL GROW MOST IN THE FUTURE?

Industry	% Growth 1981-1990	Employment 1990	Ranked Jobs Created 1981-1990
Eating/Drinking Places	29	87,488	19,845
Hospitals	29	49,106	11,317
Measuring/Controlling Devices	60	24,855	9,310
Office/Computing Machines	153	13,400	8,114
Electronic Comp./Access.	125	12,822	7,122
Department Stores	30	29,242	6,780
Commercial/Stock Svg. Banks	33	22,674	5,591
Grocery Stores	13	28,962	4,615
Wholesale Trade/Mach. Equip. and Supplies	25	21,409	4,242
Misc. Business Services	35	15,374	3,955

TABLE II

OCCUPATIONS WITH GREATEST DEMAND - 1981-1990*

Occupation	1981 Employment	1990 Employment	Jobs Created 1981-1990
Sales Representative	47,580	61,119	13,539
Waiter/Waitress	21,193	27,502	6,309
Truck Driver	22,241	28,034	5,793
Secretary	26,311	31,997	5,686
General Clerk	20,881	26,334	5,453
Cashier	19,177	23,628	4,451
Sales Clerk	16,590	21,021	4,431
Nurse Aide/Orderly	11,613	14,864	3,251
Nurse Professional	15,169	18,352	3,183
Bookkeeper, Hand	13,677	16,859	3,182
Food Prep./Fast Food	10,933	14,082	3,149
Janitors/Port./Clean.	19,731	22,849	3,118
Electrical Assemblers	3,786	6,894	3,108
Electrical Engineers	3,906	6,726	2,820
Electrical Tech.	3,336	5,761	2,425
Kitchen Helpers	11,080	13,492	2,412
Typist	11,895	13,874	1,979
Elementary Teacher	16,697	17,963	1,266

* Total Wage & Salary Employment: 1990=1,289,000
1981=1,034,000
Net Jobs Created= 255,000

HOURS AND EARNINGS – MIXED SIGNALS

Between August and September earnings and hours for Oregon's production workers did not show noticeable signs of a significant recovery. However, employment was well above September of last year (+.3) and the decrease in average weekly hours month to month was small (-.3). At the same time average hourly earnings rose slightly ($.06) month to month and held even with September of last year. Specific industries gave a mixed set of signals.

Lumber and wood products, considered a key to Oregon's economic recovery, produced a variety of indications between August and September. Employment came down slightly but average weekly hours increased .2 and hourly earnings rose 19 cents.

The decline in employment in this industry came from the veneer and plywood sector which was the only sector in lumber and wood to lose production workers between August and September. This lead to a decrease of .4 in average weekly hours in veneer and plywood. These decreases were due in part to layoffs of workers who had been hired for the summer; in many cases students who return to school in the fall. It is the laying off of the lower-paid seasonal workers that also explains the slight increase ($.08) in average hourly earnings. Also there is a tendency in this industry to minimize inventories to avoid build ups if interest rates rise and depress housing construction again. This tight inventory control leads to very tight employment controls; people aren't hired unless absolutely needed.

AVERAGE HOURS AND EARNINGS OF OREGON INDUSTRIAL PRODUCTION WORKERS 1/

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	Sept.2/ 1983	Aug.3/ 1983	Sept. 1982	Sept.2/ 1983	Aug.3/ 1983	Sept. 1982	Sept.2/ 1983	Aug.3/ 1983	Sept. 1982
TOTAL MANUFACTURING 4/	$393.74	$394.39	$390.72	39.1	39.4	38.8	$10.07	$10.01	$10.07
Durable Goods	419.35	413.42	413.17	39.9	39.6	39.2	10.51	10.44	10.54
Lumber & Wood Products	434.98	425.32	427.49	39.4	39.2	39.4	11.04	10.85	10.85
Logging & Sawmills	466.83	450.46	462.04	39.0	38.9	39.9	11.97	11.58	11.58
Veneer & Plywood	426.66	427.88	420.72	39.0	39.4	39.1	10.94	10.86	10.76
Millwork & Struct Wood	349.40	335.60	323.20	41.3	40.0	38.8	8.46	8.39	8.33
Mobile Homes	305.03	297.17	299.12	41.5	37.1	38.3	7.35	8.01	7.81
Other Wood Products	426.13	420.40	387.31	39.9	40.0	38.5	10.68	10.51	10.06
Furniture & Fixtures	243.32	281.86	258.14	32.4	36.7	34.1	7.51	7.68	7.57
Primary Metals	503.81	512.78	478.63	41.5	40.6	39.2	12.14	12.63	12.21
Fabricated Metals	388.14	399.65	373.61	40.9	41.5	37.7	9.49	9.63	9.91
Machinery	401.25	403.39	399.62	39.3	38.9	37.7	10.21	10.37	10.60
Nondurable Goods	334.80	346.75	340.20	37.2	38.7	37.8	9.00	8.96	9.00
Food & Kindred Products	270.10	289.25	287.64	36.5	39.3	37.6	7.40	7.36	7.65
Canning & Preserving	224.11	244.11	245.75	35.8	39.5	36.9	6.26	6.18	6.66
Other Food Products	403.20	408.39	399.74	38.4	38.6	39.5	10.50	10.58	10.12
Textile Mill Products	216.00	218.95	196.84	36.0	37.3	37.0	6.00	5.87	5.32
Apparel	204.28	204.28	186.18	37.9	37.9	34.8	5.39	5.39	5.35
Paper & Allied Products	542.00	544.85	529.51	40.0	40.6	41.4	13.55	13.42	12.79
Printing & Publishing	397.19	386.31	386.14	35.4	34.4	34.6	11.22	11.23	11.16
Construction 4/	528.17	537.26	535.00	35.4	36.4	33.5	14.92	14.76	15.97
Communications & Utilities 5/	466.89	466.44	438.31	39.5	39.0	39.1	11.82	11.96	11.21
Trade 5/	283.37	284.97	286.55	34.1	34.5	34.4	8.31	8.26	8.33
Wholesale Trade	384.38	382.02	379.38	37.5	37.6	37.9	10.25	10.16	10.01
Retail Trade	234.65	236.88	234.90	32.5	32.9	32.4	7.22	7.20	7.25
Banking & Insurance	264.32	263.32	246.96						
State & Local Government	336.86	338.11	319.17						

1/ Figures are average gross hours and earnings of full and part-time worked or paid for, including overtime and shift premium pay. Prepared in cooperation with the U.S. Department of Labor. All data are based on the 1972 Standard Industrial Classification (SIC) codes.
2/ Preliminary
3/ Revised
4/ Data for production workers only and exclude administrative, supervisory (above working foremen), technical, sales and office personnel.
5/ Data for nonsupervisory employes only, excluding proprietors and executive personnel. Data for retail trade excludes eating and drinking places.

The mobile home industry which is recovering from the recession, posted the largest increases in weekly hours; both month to month (+4.4) and year to year (+3.2). With the large increase in hours worked, and substantial increases in the employment of lower skilled and lower paid workers, average hourly earnings took a large drop; 66 cents month to month and 46 cents year to year.

Other wood products didn't show a great deal of movement in a month to month comparison, but year to year weekly hours increased by 1.4 and average hourly earnings showed the largest increase of any industry. Average hourly earnings climbed from $10.06 in September 1982 to $10.68 in September 1983.

This large year to year jump in earnings is not due to pay increases, but rather to increased operations and overtime. More firms in this industrial sector have had increases in orders and as a consequence have gone back to operating their plants on a seven days per week basis rather than the five days per week operation they had been running last year when orders were low. The 24 hours per day seven days per week schedule is more efficient since it eliminates start up time for the plant equipment. It also generates overtime for the workers on a regular basis and raises their pay.

While employment in furniture and fixtures held steady average weekly hours dipped from 36.7 in August to 32.4 in September. This was the largest decrease in hours month to month in manufacturing. This decline was spread evenly among most firms in this industry. The firms contacted indicated that this was a normal seasonal slow down, that the pickup in housing construction had helped their orders, and that they were fairly optimistic about the short term outlook. One firm reported a solid set of orders, but that it was slowing down parts production and settling into assembly work which is normally done during the winter months. A spinoff of this slow down is a decrease in overtime which accounts for the 17 cent drop in hourly earnings.

Canning and preserving reached its peak of activity in September and showed a substantial increase in employment which caused a drop in average weekly hours (-3.7). Average weekly earnings also decreased as more lower paid workers were hired. In September beans, beets, and corn were being processed. Beans especially require large amounts of workers, and overlapping with beets and corn caused the increase in canning and freezing activity.

Employment and average hourly earnings in construction went up slightly between August and September (+900 and $.16) as this industry continued its expansion from the summer months. A year to year comparison is not so positive. Employment in September of this year is 900 below September of last year and average hourly earnings fell from $15.97 in September 1982 to $14.92 currently. Several firms and a member of a building trades council indicated that this decline in earnings can in large part be attributed to wage concessions made by union members during this last year. These reductions were designed to make employers more competitive. These concessions have taken a variety of forms: straight dollar reductions, percentage reductions, a sliding scale of wage rates that vary from project to project, and recently incentives to keep construction jobs all union by rebating 20% of wages to union employers for doing so.

OREGON LABOR TRENDS

The Oregon Labor Trends is published monthly by the Research and Statistics Section of the Oregon Employment Division, Raymond P. Thorne, Administrator.

Send comments, questions, and address changes ATTN: R&S-LMI or Phone (503) 378-8657 or toll free 1-800-237-3710 ext. 8-8657.

Material contained in this publication is in the public domain and may be reproduced without special permission. Please credit OREGON LABOR TRENDS, Oregon Employment Division.

STATE OF OREGON
EMPLOYMENT DIVISION
DEPARTMENT OF HUMAN RESOURCES
875 UNION STREET N.E.
SALEM, OREGON 97311

FIRST-CLASS MAIL
U.S. POSTAGE
PAID
SALEM, OR
Permit No. 160

1/84 S6615-2

OREGON LABOR TRENDS

Prepared by Research and Statistics Section

STATE OF OREGON • EMPLOYMENT DIVISION • DEPARTMENT OF HUMAN RESOURCES

DECEMBER 1983

NOVEMBER INDICATORS

UNEMPLOYMENT RATE

Oregon	S.A.	Raw
Nov. '83	10.6	10.4
Oct. '83	10.3	9.1
U.S.		
Nov. '83	8.4	8.1
Oct. '83	8.8	8.4

WAGE AND SALARY EMPLOYMENT INDEX

Oregon 1977=100

Nov. 1983:	102.1
Oct. 1983:	102.0
Nov. 1982:	101.2
Nov. 1981:	105.8
Nov. 1980:	110.7
Nov. 1979:	114.6

DIFFUSION INDEX

Oregon

Nov. 1983	58.5
Oct. 1983:	59.3
Sep. 1983:	52.7
Aug. 1983:	53.9
July 1983:	52.3

PRODUCTION WORKER AVERAGE WEEKLY HOURS

Oregon

Oct. 1983:	38.9
Sep. 1983:	39.6
Oct. 1982:	38.3

CONSUMER PRICE INDEX (CPI)

1967=100
ALL URBAN CONSUMERS

Portland SMSA	
Nov. 1983	293.9
Year Change	+ 2.9
U.S.	
Nov. 1983	303.1
Year Change	+ 3.2

Portland Hotline 221-4132

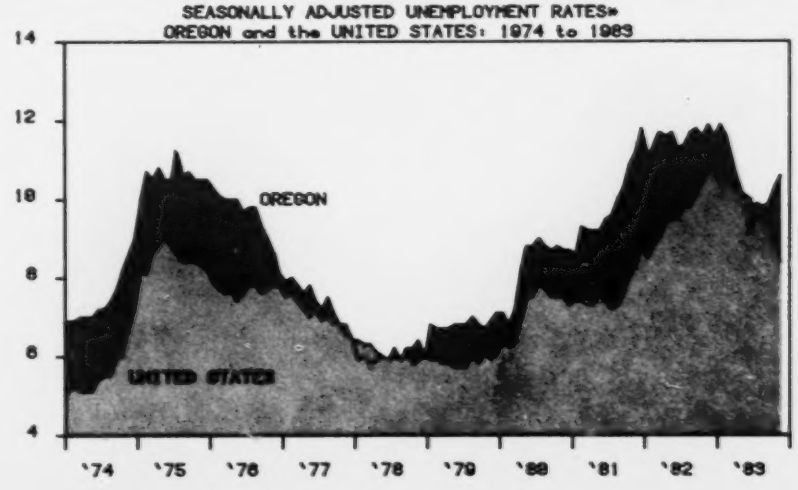
SLOWLY IMPROVING, BUT . . .

In keeping with this trend, the nation's unemployment rate dropped from 8.8% in October to 8.4% in November. This drop was due to the growing momentum of the recovery. The trend over the past few months shows a marked decline in unemployment and an increase in employment.

The national recovery has been following the "classic textbook" sequence with gains in productivity, declines in unemployment, decreased inflation and increased consumer spending. The national economy is now entering its second year of recovery and should show a slowing growth trend, a slightly larger inflation rate, continued optimistic consumer spending, and a continued (but slower) decrease in the unemployment rate.

While the nation's unemployment rate in November fell, Oregon's rate rose from 10.3% to 10.6% during the same time period. This .3 increase from October to November has occurred for three consecutive years. The number of unemployed Oregonians in November was 136,600; the approximate combined population of the cities of Salem and Corvallis. Still this is the lowest number of unemployed Oregonians in November since 1980. In spite of Oregon's usual pattern of entering and exiting the recession ahead of the national economy, recovery for Oregon started and then levelled off soon afterwards, unlike the national economy. Although marked increases can be seen in the over the year figures, the improvement has not paralleled the national performance, as evidenced by the seasonally adjusted Nonagricultural Wage and Salary Employment Indexes. A following graph shows

SEASONALLY ADJUSTED UNEMPLOYMENT RATES*
OREGON and the UNITED STATES: 1974 to 1983



*Civilian Labor Force Only

RESIDENT OREGON LABOR FORCE

	1/ Nov. 1983	2/ Oct. 1983	Change	% Change	5/ Nov. 1982
Civilian Labor Force 3/	1,317,700	1,325,800	- 8,100	- 0.6	1,304,500
Unemployment	136,600	120,800	+15,800	+13.1	149,100
Percent of Labor Force	10.4	9.1	xxx	xxx	11.4
Seasonally Adjusted Percent	10.6	10.3	xxx	xxx	11.9
Total Employment 4/	1,181,100	1,205,000	-23,900	-2.0	1,155,400

1/ Preliminary. 2/ Revised. 3/ Includes employed and unemployed individuals 16 years and older. Data are adjusted for multiple job-holding and commuting. 4/ Includes nonagricultural wage and salary, self-employed, unpaid family workers, domestics, farm workers, and labor disputants. 5/ Due to revised estimating procedures between December 1982 and January 1983, data for 1983 and that of previous years are not strictly comparable.

NONAGRICULTURAL WAGE & SALARY EMPLOYMENT
(By Place of Work)

INDUSTRY	1/ Nov. 1983	2/ Oct. 1983	Nov. 1982	Change From Oct. 1983	Change From Nov. 1982
TOTAL 3/	966,400	971,700	957,600	-5,300	8,800
Wage & Salary Employment Index 4/	102.1	102.0	101.2	xxx	xxx
Diffusion Index 5/	58.5	59.3	43.0	xxx	xxx
Total Manufacturing	192,100	194,700	184,200	-2,600	7,900
Durable Goods	135,000	135,500	129,800	- 500	5,200
Lumber & Wood Products	63,600	64,700	57,300	-1,100	6,300
Logging & Sawmills	32,100	32,900	29,400	- 800	2,700
Veneer & Plywood	18,400	18,700	17,500	- 300	900
Millwork & Structural Wood	7,300	7,300	5,700	0	1,600
Mobile Homes	2,200	2,200	1,500	0	700
Other Wood Products	3,600	3,600	3,200	0	400
Furniture & Fixtures	2,600	2,700	2,700	- 100	- 100
Stone, Clay, Glass, & Concrete	3,600	3,800	3,300	- 200	300
Primary Metals	7,600	7,500	6,900	100	700
Blast Furnaces, Iron & Steel	4,000	3,800	3,900	200	100
Nonferrous Metals	3,600	3,700	3,000	- 100	600
Fabricated Metals	9,100	9,300	8,800	- 200	300
Fabricated Structural Metals	3,500	3,600	3,600	- 100	- 100
Other Fabricated Metals	5,600	5,700	5,200	- 100	400
Machinery	14,500	14,400	15,500	100	-1,000
Electrical Equipment & Supplies	10,000	9,800	9,500	200	500
Transportation Equipment	7,400	6,800	7,400	600	0
Instruments & Related Products	14,100	14,000	16,000	100	-1,900
Miscellaneous Manufacturing	2,500	2,500	2,400	0	100
Nondurable Goods	57,100	59,200	54,400	-2,100	2,700
Food & Kindred Products	27,300	29,500	25,300	-2,200	2,000
Canning & Preserving	16,300	18,600	14,800	-2,300	1,500
Other Food Products	11,000	10,900	10,500	100	500
Textile Mill Products	1,700	1,700	1,700	0	0
Apparel	2,800	2,800	2,600	0	200
Paper & Allied Products	9,600	9,300	9,400	300	200
Printing & Publishing	10,300	10,300	10,200	0	100
Chemicals & Allied Products	2,100	2,100	2,000	0	100
Petroleum Refining	500	600	500	- 100	0
Rubber & Plastic Products	2,500	2,600	2,400	- 100	100
Leather Products	300	300	300	0	0

NONAGRICULTURAL WAGE & SALARY EMPLOYMENT
(By Place of Work)

INDUSTRY	Nov. 1983	Oct. 1983	Nov. 1982	Change From Oct. 1983	Change From Nov. 1982
(cont.)					
Total Nonmanufacturing	774,300	777,000	773,400	-2,700	900
Mining & Quarrying	1,300	1,700	1,500	- 400	- 200
Construction	28,600	31,700	29,000	-3,100	- 400
Transportation, Communications, & Utilities	55,200	55,900	56,600	- 700	-1,400
Transportation	32,100	32,800	32,100	- 700	0
Railroad	5,400	5,600	5,800	- 200	- 400
Trucking & Warehousing	16,900	17,100	16,300	- 200	600
Other Transportation	9,800	10,100	10,000	- 300	- 200
Communications	14,500	14,500	15,600	0	-1,100
Utilities	8,600	8,600	8,900	0	- 300
Trade	243,500	242,600	240,300	900	3,200
Wholesale Trade	61,800	61,600	60,200	200	1,600
Durable Goods	36,200	36,100	35,400	100	800
Nondurable Goods	25,600	25,500	24,800	100	800
Retail Trade	181,700	181,000	180,100	700	1,600
General Merchandise	25,500	25,200	25,400	300	100
Food Stores	28,300	27,900	27,000	400	1,300
Auto Dealers & Service Stations	22,900	22,800	21,400	100	1,500
Other Retail Trade	105,000	105,100	106,300	- 100	-1,300
Finance, Insurance, & Real Estate	63,900	63,800	63,900	100	0
Banking & Credit Agencies	23,500	23,400	23,300	100	200
Other Finance, Insurance, & Real Estate	40,400	40,400	40,600	0	- 200
Services	185,100	187,000	184,500	-1,900	600
Hotels & Personal Services	20,500	21,100	21,100	- 600	- 600
Health Services	65,000	65,600	65,100	- 600	- 100
Other Services	99,600	100,300	98,300	- 700	1,300
Government	196,700	194,300	197,600	2,400	- 900
Federal Government	29,000	28,800	28,700	200	300
State Government	53,100	53,200	51,800	- 100	1,300
Education	23,200	23,000	22,800	200	400
Other State	29,900	30,200	29,000	- 300	900
Local Government	114,600	112,300	117,100	2,300	-2,500
Education	73,500	71,100	73,600	2,400	- 100
Other Local	41,100	41,200	43,500	- 100	-2,400
Labor-Management Disputes	1,400	1,400	100	0	1,300

1/ Preliminary

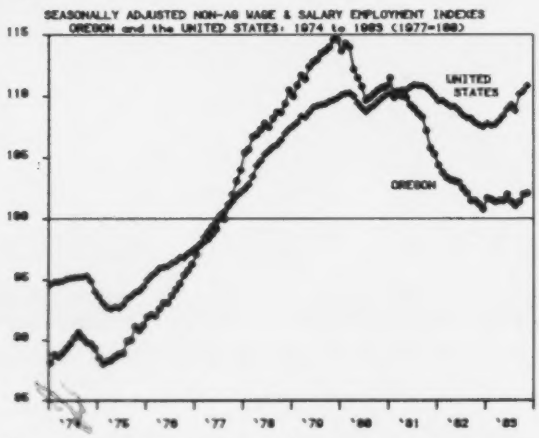
2/ Revised

3/ Includes full and part-time nonfarm wage and salary workers in pay periods including the 12th of the month. Proprietors, self-employed, private household workers and armed forces excluded. NOTE: Estimated in cooperation with the U.S. Bureau of Labor Statistics and Employment and Training Administration. All data are based on the 1972 Standard Industrial Classification (SIC) codes as amended by the 1977 supplement.

4/ Total nonagricultural wage and salary employment, seasonally adjusted, and indexed to 1977. Data on the earlier index (1972 = 100) can be converted to the 1977 base period by multiplying by a factor of .8264, the ratio between 1972's annual average employment (774,300) and that of 1977 (936,900).

5/ The diffusion index is the percentage of a selected group of 43 industries showing an increase in seasonally adjusted employment. Half of those industries showing no significant change (less than 1/2 of 1%) are counted as increasing.

that in March 1981 the indexes for Oregon and the United States crossed at approximately 110.4. The U.S. index continued to climb to 110.9 before falling to 107.5 in December 1982, while Oregon's index plunged to 100.8 during the same period. While Oregon's index remained at about this level throughout most of 1983, the U.S. has risen to above 110 reflecting the recovery in the national economy.



The Oregon Diffusion Index fell 1.6 points to 58.5 for November. This is only the third month in 1983 that the index has fallen and it is currently the second highest level since May of 1979, the month in which the first significant drop (3.9 points) occurred prior to the onset of the recession. October to November changes in the Index have reported declines eight of eleven years. The three years in which increases occurred were 1975, 1978, and 1982; the first and last following periods of recession and 1978 preceeding the record highs of 1979. The October-November change this year is the smallest decline recorded over the 11 year period.

Conditions of recovery are many, with strong and sometimes surprising variations. In spite of steady retrenchment in market prices through September, employment has managed to remain fairly vigorous. Total lumber and wood products employment rose a seasonally adjusted 400 for November and remains 6,300 above year ago levels. Sporadic closures, however, have occurred and are expected to continue. This comes as no surprise as it reflects varying cost factors affecting firms - all firms - walking a very narrow line between profit and loss. Thus far, sales volume and current inventory levels seem to reflect a more optimistic alternative to look forward to this coming year. Strength in lumber and wood was also reflected in a recent over-the-year comparison of overtime hours. Total manufacturing overtime hours rose 30%, while the wood products industry climbed a whopping 62%.

While far from bullish, other durables have been showing signs of contributing to the rebuilding of the state's economy. Orders for steel and equipment are improving as firms begin to repair or replace worn machinery (idle equipment doesn't wear out quickly). Added to this was the recent reopening of the only integrated nickel complex in the U.S. Under a special agreement providing low cost power, 100+ employees have been able to return to work. Recent multimillion dollar contracts for barges and railcars have also allowed nearly 100 employes to return to work. Shipbuilding activity has increased as well with additional ship repair contracts coming in following the recent strike. While taken individually, none of the increases were particularly significant, but together they contributed to a 1,000 gain in seasonally adjusted employment for November. Strike activity dampens further optimism with labor disputants numbering over 700.

A seasonally adjusted employment gain of 1,400 masks some disturbing conditions within the food and kindred products sector of nondurable goods. The Governor recently declared the commercial fishing industry an economic emergency disaster. Employment fell nearly 800 over the month in seafood processing. Elsewhere, the recent announcement by a major canning company that it is closing one of its plants will mean 400 fewer seasonal jobs. The industry is plagued by rising costs of servicing large market areas away from Oregon and increasing competition from producing areas outside the state.

November's construction employment was hit exceedingly hard as seasonally adjusted employment fell 1,700. Road work especially "took it on the chin." Fair weather in October held employment levels artificially high at that time, thus magnifying the seasonal drop during the November deluge. Recovery of the building industry which has been driven by public works will be in a holding pattern until commercial and industrial construction brings new thrust.

Employment in trade continued to fall short of seasonal expectations (-800) as holiday hiring remained soft. Shoppers were very cautious last year and as a result retailers have thus far been hesitant to overhire, relying instead upon working present staff longer hours. Optimism is obvious however, for increased consumer spending. As such, expectations are for a hiring surge in December. Over the last 10 years, December hires have averaged 3,500 or 55% of total seasonal gains. It is anticipated that the 1983 holiday season will add 3,000+ to December's employment totals which is a significant gain over the past couple of years.

Total service employment fell 1,900 in November in part due to the ending of seasonal tourist traffic. The more significant shift, however, came in Health Services (-600) which of late has experienced a declining patient population. Focus has so far been on the sharp drop in elective surgeries and other health care, but several health providers are now reporting additional pressures on operating costs. Mandated health care reimbursements for patients receiving Federal assistance will also begin to press health care facilities to examine personnel needs in light of potentially falling revenues.

Government employment gains in November were 1,200 above normal seasonal expectations. Unseasonably large increases in community college employment was the dominant force leading to expanding employment in the education field.

In retrospect, November 1983 was the best November Oregon has had for three years showing slow but relatively steady improvement. But the months data also highlighted a major long run problem, i.e., economic dependency on one or two major industries which are susceptible to shifts in National policies and priorities. The prognosis for Oregon's economic health is cloudy if it continues to be based so strongly upon lumber and wood products associated activities.□

1983 IN REVIEW

Nineteen eighty-three will go down as a year of transition when one of the most protracted recessions finally gave way to economic recovery in both Oregon and the nation. One year ago most economists were in rare agreement that the recession was ending and that economic growth would resume in 1983. The expected recovery however, would probably be at a somewhat anemic pace due to exceptionally high rates of unemployment and real interest rates, and low consumer confidence.

For the nation this cautious outlook proved to be too conservative. Dramatic improvements occurred in many national economic indicators throughout 1983. Among these were the:

Unemployment rate, which dropped sharply from last December's peak of 10.8% to 8.4% currently.

Total employment, which now stands 3.7% higher than a year ago.

Housing starts, which are expected to total about 1.7 million in 1983 compared to 1982's depressed level of 1.1 million.

Inflation. The average rate of increase in consumer prices (CPI-all urban) will be about 3-1/2% in 1983 versus 6.1% in 1982.

Retail Sales. Consumers began to satisfy many of their pent-up demands especially for big ticket durable goods like autos. Record increase tax refunds, the 10% federal income tax cut in July and lower inflation all boosted consumer confidence. Total retail sales in November were up 10.8% from a year ago, with durable goods sales nearly 20% higher.

Industrial Production. In November industrial production was up nearly 16% from one year ago as the nation's factories try to keep one step ahead of the growth in final sales. Much of this improvement reflects the rebound in the auto industry. Industrial production has risen in every month this year since hitting bottom in December 1982.

Despite the improvements in these and other national economic series this year the economy still has a number of nagging problems and soft spots. These include still high interest rates an overvalued dollar in foreign exchange markets, weakness in export-oriented industries including agriculture, record federal budget deficits approaching $200 billion a year, still high unemployment rates, and a low level of business plant and equipment spending - though this has started to pick up recently.

In Oregon the recovery has not been as strong for several reasons. One of these is the continued loss of population due to several years of declining employment opportunites. Preliminary estimates of Oregon's 1983 population indicate that net outmigration increased from 25,000 between 1981-82 to nearly 40,000 between 1982-83. Since these outflows exceeded the rate of natural increase Oregon's total population has declined for the past two years - by 4,500 and 21,100 respectively! Although the 1983 data are preliminary, they do reflect a population trend which adversely impacts the rate of Oregon's economic recovery. Demand for a wide range of products and services are lower than they would otherwise be and in some cases supplies are greater. For example, when people leave the state the supply of vacant housing rises which in turn limits the need for new construction. A longer term view of this shrinking population base could mean, however, more stability for Oregon's economic future. The stability could lessen the extreme fluctuations in Oregon's lumber industry if housing demand and interest rates stabilize in the latter half of the decade.

Another reason for Oregon's slower turnaround involves our industry mix. A surge in housing construction and consumer spending for durable goods at the national level fueled the initial phase of the U.S. recovery. Declining interest rates since the fall of 1982 through May of this year coupled with sharp increases in the rate of U.S. housing starts rejuvenated Oregon's lumber and wood products industry. Mills reopened and workers were called back earlier this year in response to the surge in new orders and higher market prices. But the Federal Reserve tightened its monetary policy significantly in May, hoping to slow the recovery and prevent inflation from getting out of control. Mortgage interest rates rose by a couple of percentage points, and lumber and plywood prices declined sharply during the summer months. In response to price increases there have recently been scattered mill closures and layoffs in Oregon's timber industry as market conditions softened and the pace of U.S. housing construction slowed. Despite this slowdown, employment in Oregon's lumber and wood products industry was still 6,300 higher in November than one year ago. Although employment in the lumber industry will average about 7,000 higher in 1983 than 1982's 55,500, it is still a far cry from the 81,000 level of 1978 and 1979.

Oregon's durable goods manufacturing sector is much more sensitive to housing construction and capital goods spending than to consumer demands. Even the Federal government's huge increase in defense spending has largely passed by Oregon. Since capital spending is typically one of the last areas to improve following a recession and since export markets for many Oregon products are still weak, significant improvement in this basic sector of Oregon's economy will not occur until 1984. Oregon's electronics or "high tech" industry for example, has languished throughout 1983 and only recently appears to be turning the corner toward recovery.

Another major economic sector in Oregon which is slowly recovering from the past few years of adversity is agriculture. It is still too early to assess the overall impact on net farm income, but 1983 should be a better year for many in this industry. Although poor weather, low farm prices and federal acreage reduction programs are expected to reduce overall cash farm income in 1983, farm expenses will likely be lower also. As always however, some will prosper and some will suffer due to the diversified nature of Oregon's agriculture. Wheat farmers for example benefitted from record yields and the federal payment in kind (PIK) program

despite fewer acres in production and low prices due to excess supplies. Livestock producers however had a poor year as feed grain prices rose in response to acreage reductions and last summer's severe drought in the midwest causing livestock prices to drop sharply.

Tourism was again one of the bright spots for Oregon in 1983. Since tourism is not an industry per se but rather an economic activity that involves a number of specific industries like restaurants, lodging places, amusement/recreation services and others, it is harder to gauge the extent of improvement in employment terms. One indirect measure of performance however is the visitor count at the State's six border information centers during the May 30-October 30 travel season. The Tourism Division of the Oregon Economic Development Department reports that these centers served more than a quarter-million visitors in 1983, representing a 6% increase over 1982. The largest gains occurred at centers in Portland (+15%) Klamath Falls (+14%) and Brookings (+12%). Only the Siskiyou center reported a decline in visitors this year (-3%). The overall gain, especially at Klamath Falls, partially reflects the completion of construction projects on U.S. Highway 97 which caused traffic delays during the 1982 season. However, reflecting one negative in the tourist related industries was the conspicuous absence of large numbers of business travelers from certain areas of the state. Most of this is probably due to firms trying to reduce their overhead expenses in this current economy.

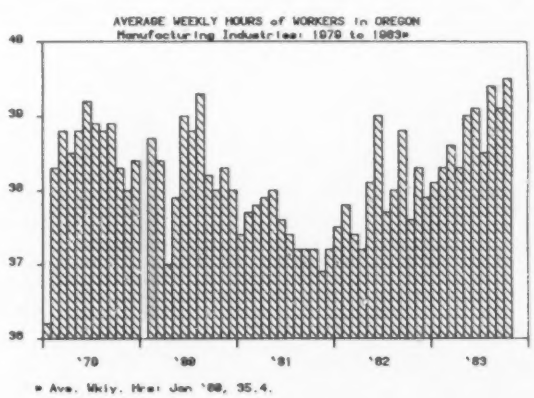
For an overall picture of how Oregon's economy, or at least its labor market, fared in 1983, an examination can be made of several key economic indicators produced by the Employment Division. These include the seasonally adjusted unemployment rate, nonfarm wage and salary employment index, Oregon diffusion index, and the average length of the workweek in manufacturing.

Oregon's unemployment rate began the year at a record high 11.9% in January with 176,800 persons looking for work. The rate dropped each month until June when it reached 9.1%, the low point for the year. After reverting to the 9.9% level throughout the third quarter, the jobless rate began to rise again reaching 10.3% in October and 10.6% in November. We can expect Oregon's unemployment to average about 141,000 persons in 1983, or 10.6% of the labor force. This indicates modest improvement has occurred since 1982 when unemployment averaged 152,000 persons or 11.5%. Some of this improvement however may reflect out-migration of unemployed workers to other states. Despite the drop in Oregon's unemployment rate in 1983 we will fare worse than the nation whose jobless rate is expected to change little from 1982's 9.7%.

While the jobless rate is usually regarded as a "lagging economic indicator" in the early stages of recovery, the nonfarm wage and salary employment index is considered a good "coincident indicator", meaning that its movement roughly parallels the trend of the general economy. The accompanying graph shows that the two year long slide in this key indicator ceased in December, 1982 when the index hit bottom at 100.8% of the 1977 annual average. Unlike the nation's employment index which reversed direction and started rising strongly, Oregon's has been bumping along near the bottom all year. Although a series of major labor disputes caused the employment index to temporarily fall back during the summer months, it has basically been stable. This indicates that employment trends since January have generally been following the normal seasonal pattern, nothing more. After three years of almost continuous recession Oregon needs a strong recovery, not just a breathing spell. For 1983, Oregon's employment index is expected to average about 101.7, which is nearly a full point below 1982's depressed level of 102.6.

Oregon's diffusion index (see graph on page 4) and average manufacturing workweek fall into the "leading economic indicator" category. Both of these series show 1983 in a more favorable light. The diffusion index, a measure of the percentage of industries showing an increase in seasonally adjusted employment, has risen almost every month during 1983. In January 1982 this indicator bottomed out at 28.3%. It began 1983 at 44.2, and has continued to climb almost without interruption through November when it was 58.5.

Average weekly hours in Oregon's manufacturing industries have shown a similar improvement trend during 1983. Although this economic series is not seasonally adjusted, the number of hours worked each month this year has been greater than the same month in 1982. The average increase in the manufacturing workweek during 1983 has been about one full hour above last year's average of 37.9 hours.



Both of these leading indicators therefore are cause for optimism, and signal that Oregon's economy should continue to improve in 1984. Another key barometer of Oregon's economy which will also heavily influence the outlook for 1984 will be the strength of retail sales during the Christmas season. At this writing it appears that consumers are in an optimistic and buying mood. Strong, perhaps even record sales during this holiday season would tend to boost economic activity in 1984 as business firms replenish their depleted inventories. In the next issue of Oregon Labor Trends we will take a closer look at the 1984 economic outlook.

In summary, Oregon's economy stopped sinking and began to show some improvement in 1983. Our recovery however has not been slower than the nation's. Soft spots remain and it will take at least a couple more years of recovery before Oregon's economy can recoup the job losses suffered during the 1980-1982 recession. The year 1983 should be regarded as the first step along this reconstruction road.□

HOURS AND EARNINGS – RESPONDING TO RECOVERY

Industrial production as measured by hours paid continues to remain resilient in the face of the oncoming winter slowdown. Much of this can be attributed to efforts to restock inventories depleted by the surge in demand for products during the early spring and summer months. Inventories, which act as a buffer to manufacturing activities, can usually sustain limited surges in demand. However, supply constraints imposed by already depleted inventories brought a more immediate response in production activity. The subsequent swing from drawing inventories down to efforts of restocking is an important shift; one that has sustained production levels for October and signals the potential for increased activity in the coming months. The increase in manufacturing activity and capacity use also mark the beginnings of a more sustainable capital spending motivated recovery. This occurs as producers replace and improve machinery worn by the heightened economic activity.

A closer look at hours, specifically overtime hours, underscores the dramatic upturn in production activity. Over the year from October 1982 to October 1983, overtime hours for all manufacturing rose by 30%. Lumber and Wood Products provided a big push, climbing a whopping 62%. Overtime hours for all other manufacturing, except Lumber and Wood Products, rose also by a respectable 12.4%. The spinoff from this is an increase in demand for materials and capital improvements. The overriding caution is that changes don't occur overnight and, given Oregon's sensitivity to external forces such as interest rates, any transition is bound to be fragile.

AVERAGE HOURS AND EARNINGS OF OREGON INDUSTRIAL PRODUCTION WORKERS 1/

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	Oct.2/ 1983	Sept.3/ 1983	Oct. 1982	Oct.2/ 1983	Sept.3/ 1983	Oct. 1982	Oct.2/ 1983	Sept.3/ 1983	Oct. 1982
TOTAL MANUFACTURING 4/	$398.95	$395.69	$377.13	39.5	39.1	37.6	$10.10	$10.12	$10.03
Durable Goods	424.68	419.75	398.24	40.6	39.9	38.0	10.46	10.52	10.48
Lumber & Wood Products	445.67	433.87	400.60	41.0	39.3	37.3	10.87	11.04	10.74
Logging & Sawmills	477.92	465.24	440.07	41.2	38.9	38.3	11.60	11.96	11.49
Veneer & Plywood	451.00	426.66	385.19	41.3	39.0	36.1	10.92	10.94	10.67
Millwork & Struct Wood	348.94	348.53	282.41	41.1	41.1	36.3	8.49	8.48	7.78
Mobile Homes	268.60	307.13	283.27	36.2	41.9	34.8	7.42	7.33	8.14
Other Wood Products	429.47	426.13	379.34	40.1	39.9	37.3	10.71	10.68	10.17
Furniture & Fixtures	257.07	248.07	267.62	33.0	32.9	35.4	7.79	7.54	7.56
Primary Metals	531.65	516.60	485.59	43.4	42.8	38.6	12.25	12.07	12.58
Fabricated Metals	386.97	388.55	383.30	40.1	40.9	38.6	9.65	9.50	9.93
Machinery	397.32	401.25	403.48	39.3	39.3	38.1	10.11	10.21	10.59
Nondurable Goods	337.46	338.35	329.57	36.8	37.1	36.7	9.17	9.12	8.98
Food & Kindred Products	278.33	274.00	270.33	36.1	36.1	35.9	7.71	7.59	7.53
Canning & Preserving	231.16	229.80	218.73	35.4	35.3	34.5	6.53	6.51	6.34
Other Food Products	392.64	403.20	394.97	37.9	38.4	39.3	10.36	10.50	10.05
Textile Mill Products	205.21	216.00	200.34	34.9	36.0	37.1	5.88	6.00	5.40
Apparel	208.66	204.28	184.73	37.8	37.9	34.4	5.52	5.39	5.37
Paper & Allied Products	524.50	549.18	520.66	39.2	40.5	40.9	13.38	13.56	12.73
Printing & Publishing	395.50	396.77	372.56	35.0	35.3	33.9	11.30	11.24	10.99
Construction 4/	526.26	528.17	549.79	35.8	35.4	34.6	14.70	14.92	15.89
Communications & Utilities 5/	478.92	467.68	438.08	39.0	39.4	38.7	12.28	11.87	11.32
Trade 5/	283.71	285.23	279.48	34.1	34.2	34.0	8.32	8.34	8.22
Wholesale Trade	391.02	384.00	369.27	38.0	37.5	37.3	10.29	10.24	9.90
Retail Trade	232.81	235.95	231.20	32.2	32.5	32.2	7.23	7.26	7.18
Banking & Insurance	262.99	264.32	241.31						
State & Local Government	312.63	336.86	306.39						

1/ Figures are average gross hours and earnings of full and part-time worked or paid for, including overtime and shift premium pay. Prepared in cooperation with the U.S. Department of Labor. All data are based on the 1972 Standard Industrial Classification (SIC) codes.
2/ Preliminary
3/ Revised
4/ Data for production workers only and exclude administrative, supervisory (above working foremen), technical, sales and office personnel.
5/ Data for nonsupervisory employes only, excluding proprietors and executive personnel. Data for retail trade excludes eating and drinking places.

On the basis of continued strength in overtime work, average weekly hours rose .7 in October. Sawmills and Plywood operations sustained production levels as composite prices for Lumber and Plywood firmed up following a steady decline from June's peak. Contributing factors for healthier production center around rising optimism among suppliers that 1984 will be better and so are more willing to add to inventories in anticipation that conditions will continue to improve. The lone exception to this was Mobile Home Manufacturing where weekly hours fell 5.7 on the heels of temporary production curtailments at several plants.

Negotiated wage settlements led to a $.41 increase in hourly earnings for the Communications and Utility sectors. However, the restructuring of AT&T and a backlash from heavy investments in nuclear power have also had an effect. Eroding employment has driven up the proportion of higher paid workers adding to the upward push on average hourly earnings.

Business activity for Trade is improving, but is not readily noticeable. As measured by weekly hours a .1 drop was reported for October. This compares with an average 10 year decline of .3. Retail Trade posted a .3 drop for the current month compared with a 10 year average loss of .4. The less than expected drop in hours, however slight, coupled with a 1,330 jump in nonsupervisory employment reflects the growing confidence merchants are harboring. The added hope is that the anticipated consumer optimism during the next few months will ripple through other industries toward a broader based recovery.

Durable Goods, excluding Lumber and Wood Products, was selective in its optimism. Both Primary and Fabricated Metals remain above the 40 hour workweek mark at 43.4 and 40.1, respectively. The lumber industry has been running strong enough in recent months to require replacement parts along with upgrading equipment. Coupled with this has been the continued strength in primary metals such as Aluminum and improving conditions in construction that has increased the demand for steel products. As a result, overtime hours for Primary and Fabricated Metals firms climbed 70% over the year. These industries remain vulnerable, though, due to uncertainties over energy costs and interest rates. Some areas not so rosy included Ship Building and Repair, still recovering from a recent labor dispute, and selected areas of high tech where little or no change was evident in overtime.

Despite the cool wet weather of early summer, harvests were generally good. As a result, Canning and Preserving activity did not fall as much as might be expected. Average weekly hours for this industry maintained their strength by climbing a modest .1 to 35.4. This is .9 above the year ago level. The stronger activity and increased proportion of higher paid workers as seasonal layoffs take effect have pushed average hourly earnings up by $.12 for October in total Food and Kindred Products. However, an over-the-year comparison points out a continuing erosion in overtime hours and production worker employment for total Food & Kindred Products due to weakness in nearly all areas of Other Food.

Heavy Construction once again made gains for the Construction industry. Showing 750 additional workers, unseasonably warm weather provided the right climate for many projects. A decrease in the proportion of higher paid workers prompted a $.22 drop in hourly earnings. Wage concessions by unions have accounted for a vast majority of the $1.19 drop in average hourly earnings from October 1982.□

OREGON LABOR TRENDS

The Oregon Labor Trends is published monthly by the Research and Statistics Section of the Oregon Employment Division, Raymond P. Thorne, Administrator.

Send comments, questions, and address changes ATTN: R&S-LMI or Phone (503) 378-8657 or toll free 1-800-237-3710 ext. 8-8657.

Material contained in this publication is in the public domain and may be reproduced without special permission. Please credit OREGON LABOR TRENDS, Oregon Employment Division.

STATE OF OREGON
EMPLOYMENT DIVISION
DEPARTMENT OF HUMAN RESOURCES
875 UNION STREET N.E.
SALEM, OREGON 97311

FIRST-CLASS MAIL
U.S. POSTAGE
PAID
SALEM, OR
Permit No. 160